

REMARKS

Claim Status

Claims 1-15 are currently pending, with claims 1, 7, 14 and 15 being the only independent claims. Claims 1-15 have been amended. The amendments to claims 2-6 and 8-14 are merely cosmetic or clarifying in nature. No new matter has been added. Reconsideration of the application, as herein amended, is respectfully requested.

Oath and Declaration

The Examiner has stated that an Oath/Declaration has not yet been filed. In fact, an executed Declaration was submitted on September 24, 2004. The enclosed copy of the Notice of Acceptance of Application under 35 U.S.C. 371 and 37 C.F.R. 1.495 (i.e., Form PCT/DO/EO/903) acknowledges that a complete Oath/Declaration was received by the Patent Office on September 25, 2004. A copy of the executed Declaration as originally filed is also enclosed. Withdrawal of that objection is therefore deemed to be in order.

Information Disclosure Statement

The Examiner has indicated on the Form 1449A ("Information Disclosure Statement by Applicant") attached to the Office Action that the WO 00/75749 reference listed on the Information Disclosure Statement (IDS) filed on January 4, 2005 was not considered. (A line is drawn through that reference.) 37 CFR §1.98 (a) (3) (i) requires "a concise explanation of the relevance ... of each patent, publication, or other information listed that is not in the English language". However, WO 00/75749 is a PCT publication that was published in English and, therefore, WO 00/75749 met the requirements for consideration having been timely filed in an IDS prior to the issuance of a first Office Action on the merits. Applicants request that the

Examiner either provide a reason why the WO 00/75749 publication was not considered, or consider that WO 00/75749 publication which was cited in the January 4, 2005 IDS.

Overview of the Office Action

Claims 1-15 stand rejected under 35 U.S.C. §102(e) as anticipated by U.S. Patent No. 7,114,090 (“*Kardach*”).

Applicants have carefully considered the Examiner’s rejections and the comments provided in support thereof. For the following reasons, applicants assert that all claims now pending in the present application are patentable over the cited art.

Descriptive Summary of the Prior Art

Kardach discloses “a marketing system, an information communications system and a recording medium thereof, in which terminal equipment of a client refers to (retrieves) product information of a vendor through a wide area network (WAN) such as the Internet, or through radio communications facilities like satellite broadcasting, TV broadcasting, etc., and the client transmits order information including information about payment to the vendor through a communications system other than the WAN” (see col. 1, lines 11-19).

Summary of the Subject Matter Disclosed in the Specification

The following descriptive details are based on the specification. They are provided only for the convenience of the Examiner as part of the discussion presented herein, and are not intended to argue limitations which are unclaimed.

The present invention is directed to a method, system, third party device and computer readable-medium for securing credit card transactions between a holder and a merchant via a telecommunication network. In accordance with the disclosed invention, during the payment phase of a transaction temporary information consistent with the real bank information from the credit card of the holder is entered into an order form that is supplied by the merchant. This temporary information is then collected by an authorization center for the transaction to create a relational connection with the real bank information from the credit card of the holder for acknowledgement of the order by the holder for the benefit of the merchant (see pg. 5, line 36 thru pg. 6, line 9 of the specification as originally filed).

Thus, in accordance with the disclosed invention, the security of financial transactions over a telecommunication network, such as the Internet, is increased, while ensuring that the merchant or any other person present on the telecommunication network does not gain access to the real bank information on the credit card of the holder.

Patentability of the Independent Claims Under 35 U.S.C. §102(e)

Independent claim 1 has been amended for clarification to recite, *inter alia*, the steps of “simultaneously establishing, at the third party, a link between the third party and the holder and between the third party and the merchant over the telecommunication network in response to the signified intention of the holder to place the order, such that the holder is placed into contact with the merchant through the third party over the telecommunication network, the third party having total control over information transfer between the holder and the merchant; and managing, at the third party, formation of the temporary information, entry of the temporary information in the order form and the relational connection of the temporary information with the real bank information

from the credit card of the holder to check authorizations with banks for the acknowledgement of the order. Independent claims 7, 14 and 15 have been correspondingly amended. No new matter has been added.

Kardach discloses a method and system for improving the security with which private information is provided by a client terminal 100 to a vendor terminal 200 for processing an online transaction (see col. 1, lines 17-19; FIG. 1). *Kardach* teaches that secure transactions are achieved by transmitting the private information on a secure communication network that is different and distinct from the network used to transmit less confidential information, such as product related information.

Kardach fails to teach or suggest that, in response to the submission of a request for product information, the information server 152 establishes a link between itself and a client terminal 100 over a communication network and a link between itself and the vendor terminal 200 over the same communication network. That is, *Kardach* fails to teach or suggest “simultaneously establishing, at the third party, a link between the third party and the holder and between the third party and the merchant over the telecommunication network in response to the signified intention of the holder to place the order,” as recited in now amended method claim 1 and similarly recited in each of independent claims 7, 14 and 15.

Moreover, *Kardach* fails to teach or suggest that the client terminal 100 shown in FIG. 1 enters into contact with the vendor terminal 200 through the information sever 152 so that the information server 152 has full control over the information exchanged between the client terminal 100 and the vendor terminal 200 during the payment phase of the transaction. *Kardach* (col. 4, lines 29-33) describes “a pair of communications systems, and that the terminal equipment 100 carries out switching between the two communications systems automatically in response to [a] product order of the client”. *Kardach* thus clearly teaches that the client terminal

100 enters into contact directly with the vendor 200 by switching the communication onto a second communication network 154, in response to a product order of the client. As a result, the information server 152 does not intervene in the communication between the client 100 and the vendor 200. Each of the amended independent claims define that the holder is placed into contact with the merchant through the third party over the telecommunication network, where “the third party [has] total control over information transfer between the holder and the merchant”. *Kardach* thus fails to teach the claimed invention for at least this additional reason.

Contrary to the solution that is implemented in accordance with the present invention for providing secure transactions, the *Kardach* solution relies on two separate, distinct communication networks 152, 154, which necessitates switching between these two networks as a function of the type of information being transmitted. The solution provided by *Kardach* for securing submission of private data during online transactions is the very type of transmission that applicants’ claimed invention seeks to avoid. In *Kardach*, a direct communication link is established between the client 100 and the vendor 200 to which the client 100 submits its real bank details, via the second communication network 154.

In contrast, the claimed invention provides a third party that is used to manage all transfers of any information between the holder and the merchant, in response to the holder signifying to the third party an intention to enter into contact with the merchant to place an order, over a telecommunication network. Therefore, in the claimed invention, the third party plays a central role in securing the transaction between the holder and the merchant, which is neither taught nor suggested by *Kardach*.

Moreover, contrary to the Examiner’s assertions, *Kardach* fails to describe the use of temporary information which is relationally connected to the real bank information from the credit card of the client. More significantly, *Kardach* fails to teach or suggest that temporary

information is managed by a third party connected via a link between the client 100 and the vendor 200. In particular, *Kardach* fails to teach or suggest that a third party is provided for managing formation of temporary information, for entry of the temporary information in the order form, and for managing the relational connection of the temporary information with the real bank information from the credit card of the holder to check authorizations with banks for acknowledgement of an order.

Kardach (col. 2, lines 32-34) explains that “order information may include an identification number of a credit card. This will not impair protection of personal information about the client because the order information is transmitted through the communications network other than the WAN”. *Kardach* thus teaches that private order information provided by the client 100 comprises an ID number of its credit card, i.e., the client’s real bank details, and that this information is directly sent from the client 100 to the vendor 200, over the second communication network 154. The claimed invention accordingly differs from *Kardach*, because in applicants’ claimed invention the formation of temporary information and a relational connection with the real bank information from the credit card of the holder is managed by a third party, as opposed to the credit card holder in *Kardach*. *Kardach* therefore fails to teach or suggest amended independent claims 1, 7, 14 and 15 for at least this additional reason.

Kardach also describes a second embodiment in which an accepting center 250 is provided for placing orders with a plurality of vendors. *Kardach* (col. 11, lines 29-48; FIG. 14) teaches that this accepting center 250 stores order information received from a client 100 and transmits the order information to the vendor terminal 200 and a terminal 400 of a credit company via a second communication network 154. *Kardach* thus teaches an accepting center 250 that functions as a centralized point to manage order information for multiple vendors to provide a marketing system that can meet various needs of clients (see col. 2, lines 38-39; col.

11, lines 32-34). Nevertheless, even assuming, *arguendo*, that the accepting center 250 described in the second embodiment of *Kardach* can be viewed as corresponding to applicants' claimed third party, *Kardach* still fails to achieve the claimed invention because there is nothing in *Kardach* to teach or suggest that the accepting center of *Kardach* manages formation of temporary information and entry of the temporary information into an order form, so as to allow a secure transaction between the holder of a credit card and a merchant on a telecommunication network, as applicants' claims recite.

As previously pointed out, *Kardach* teaches the required use of two separate, distinct communication networks, with switching occurring between these two networks based on the particular information that must be transferred. In contrast, the claimed invention utilizes a third party that permits use of a single telecommunication network, thereby providing a notably simplified system architecture. *Kardach* thus fails to teach or suggest the use of a third party in the manner recited in each of amended independent claims 1, 7, 14, and 15.

In view of the foregoing, *Kardach* fails to teach or suggest the entire subject matter of independent claims 1, 7, 14 and 15. Independent claims 1, 7, 14 and 15 are accordingly deemed to be patentable over *Kardach*, and reconsideration and withdrawal of the rejection of claims 1, 7, 14 and 15 under 35 U.S.C. §102 are requested.

Moreover, by virtue of the above-discussed differences between the recitations of claims 1, 7, 14 and 15 and the teachings of *Kardach*, and the lack of any clear independent motivation or basis for modifying *Kardach* to achieve applicants' claimed invention, claims 1, 7, 14 and 15 are likewise deemed to be patentable over *Kardach* under 35 U.S.C. §103.

Dependent Claims

In view of the patentability of independent claims 1, 7, 14 and 15, and for at least the reasons presented above, each of dependent claims 2-6 and 8-13 is believed to be patentable therewith over the prior art. Each of dependent claims 2-6 and 8-13 additionally include features that serve to still further distinguish the claimed invention over the applied art.

Conclusion

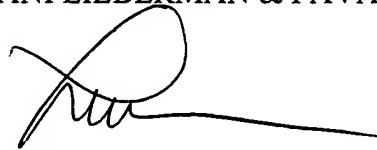
Based on all of the above, applicants submit that the present application is now in full and proper condition for allowance. Prompt and favorable action to this effect, and early passage of the application to issue, are solicited.

Should the Examiner have any comments, questions, suggestions or objections, the Examiner is respectfully requested to telephone the undersigned to facilitate an early resolution of any outstanding issues.

It is believed that no fees or charges are required at this time in connection with the present application. However, if any fees or charges are required at this time, they may be charged to our Patent and Trademark Office Deposit Account No. 03-2412.

Respectfully submitted,
COHEN PONTANI LIEBERMAN & PAVANE LLP

By



Lance J. Lieberman
Reg. No. 28,437
551 Fifth Avenue, Suite 1210
New York, New York 10176
(212) 687-2770

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